

Message Text

CONFIDENTIAL

PAGE 01 CANBER 03490 01 OF 04 060810Z

ACTION EA-12

INFO OCT-01 ISO-00 A-01 AGRE-00 OPR-02 SS-15 EB-08
COME-00 TRSE-00 OMB-01 ICAE-00 CIAE-00 INR-10
NSAE-00 NSCE-00 INRE-00 SSO-00 SP-02 PA-01 HA-05
/058 W

-----034094 060836Z /21

O 060722Z MAY 78

FM AMEMBASSY CANBERRA

TO AMEMBASSY JAKARTA NIACT IMMEDIATE

INFO SECSTATE WASHDC NIACT IMMEDIATE 3195

C O N F I D E N T I A L SECTION 1 OF 4 CANBERRA 3490

JAKARTA FOR ASSISTANT SECRETARY HOLBROOKE

EO 11652: GDS

TAGS: OVIP (NONDALE, WALTER F.)

SUBJECT: VICE PRESIDENT MONDALE'S VISIT: PROPOSED GOA COMMUNIQUE

1. DFA HAS JUST GIVE US THE FINAL WORKING TEXT OF A PROPOSED DRAFT COMMUNIQUE TO BE ISSUED FOLLOWING THE SUBSTANTIVE PORTION OF THE THE VICE PRESIDENT'S VISIT TO AUSTRALIA, I.E., ON MONDAY AFTERNOON, MAY 8. THIS TEXT IS STILL SUBJECT TO FINAL REVISION BY THREE SECRETARIES OF DEPARTMENTS, YEEND, PRIME MINISTER AND CABINET, PARKINSON, DFA, AND SCULLY, TRADE AND RESOURCES, AND BY THE CABINET WHICH IS EXPECTED TO GIVE FINAL APPROVAL ON SUNDAY AFTERNOON, MAY 7. THE PM WOULD THEN PRESENT THE FINAL TEXT TO THE VICE PRESIDENT AT THE MEETINGS AT PARLIAMENT HOUSE BEGINNING 10:00 A.M., MAY 8.

2. WHILE WE HAVE TAKEN TIME FOR ONLY A CURSORY READING OF THE DRAFT COMMUNIQUE, WE SEE POTENTIAL PROBLEMS IN THE FOLLOWING PARAGRAPHS. PARA 6, LAST SENTENCE, INDICATING THAT THE U.S. WOULD WITHDRAW FROM MTN RATHER THAN CONCLUDE AN AGREEMENT WHICH DID NOT COVER AGRICULTURE. PARA 11, WHEREIN MR. MONDALE "INDICATED THAT THE U.S. CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CANBER 03490 01 OF 04 060810Z

IS CURRENTLY REEXAMINING ITS POSITION ON THE COMMON FUND WITH THE VIEW TO FACILITATING CONSENSUS." PARA 12, FOOD PROBLEMS ARE SKIPPED OVER DESPITE REPEATED REFERENCES TO THE IMPORTANCE OF AUSTRALIAN FOOD/AGRICULTURAL SECTOR AND KNOWN VICE PRESIDENTIAL INTEREST IN THIS SUBJECT. AND, PARA 23 WHICH IDENTIFIES THE U.S. "AS A SECURE AND EXPANDING MARKET FOR AUSTRALIAN BEEF."

3. BEGIN TEXT. THE PRIME MINISTER OF AUSTRALIA, THE RIGHT HONOURABLE MALCOLM FRASER, C.H., M.P., AND THE VICE-PRESIDENT OF THE UNITED STATES, MR. WALTER F. MONDALE, HAVE CONCLUDED CONSULTATIONS WHICH WERE HELD IN CANBERRA ON 8 MAY. THE VICE-PRESIDENT'S VISIT TO AUSTRALIA WAS PART OF A WIDE TOUR OF COUNTRIES IN SOUTH EAST ASIA AND OCEANIA IN HIS CAPACITY AS PERSONAL REPRESENTATIVE OF PRESIDENT JIMMY CARTER. DURING HIS VISIT DISCUSSIONS WERE HELD BETWEEN THE PRIME MINISTER, SENIOR MINISTERS AND THE VICE-PRESIDENT. THE VICE-PRESIDENT ALSO MET A NUMBER OF PROMINENT AUSTRALIANS INCLUDING THE LEADER OF THE OPPOSITION.

INTERNATIONAL ECONOMIC ISSUES

2. THE PRIME MINISTER AND THE VICE-PRESIDENT AGREED THAT 1978 WAS AN IMPORTANT YEAR FOR THE WORLD ECONOMY. THERE WAS ONLY MODERATE GROWTH WITHIN THE OECD COUNTRIES AND INFLATION WAS STILL MUCH TOO HIGH IN MOST COUNTRIES. RECOVERY AND THE TREND TO INSULARITY IN SOME COUNTRIES AND EMPHASISED THE NEED FOR ALL COUNTRIES TO CONTINUE WITH THEIR OWN MEASURES TO COMBAT INFLATION AND RESTORE SOUND GROWTH.

MTN. 3. IT WAS AGREED THAT THE CONTINUING GLOBAL ECONOMIC
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 CANBER 03490 01 OF 04 060810Z

DIFFICULTIES UNDERLINED THE IMPORTANCE OF ACHIEVING A SUCCESSFUL OUTCOME IN THE MULTILATERAL TRADE NEGOTIATIONS IN ACCORDANCE WITH THE OBJECTIVES OF THE TOKYO DECLARATION. THEY RECALLED THAT IN PAST NEGOTIATIONS TRADE LIBERALISATION HAD CONCENTRATED ON INDUSTRIAL GOODS, AND EMPHASISED THE NEED IN THE PRESENT NEGOTIATIONS FOR PARALLEL LIBERALISATION OF TRADE IN AGRICULTURAL PRODUCTS, WHERE THE EFFECTS OF PROTECTIONISM HAVE BEEN NO LESS DAMAGING TO ECONOMIC STABILITY AND GROWTH.

4. THE PRIME MINISTER AND THE VICE PRESIDENT NOTED THAT WHILE THE FORMULA WHICH HAD BEEN ADOPTED BY INDUSTRIALISED COUNTRIES FOR A REDUCTION IN INDUSTRIAL TARIFFS WOULD HELP TRADE LIBERALISATION THEY EMPHASISED THAT IT WOULD MAKE ONLY A LIMITED CONTRIBUTION TO AN EARLY RESURGENCE OF WORLD TRADE. UNDER THE FORMULA, AVERAGE TARIFFS IN THE MAJOR WORLD ECONOMIES WOULD BE CUT BY AN AVERAGE OF ONLY ONE HALF A PERCENT A YEAR AND COULD BE NULLIFIED BY CURRENCY

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 CANBER 03490 02 OF 04 060807Z

ACTION EA-12

INFO OCT-01 ISO-00 A-01 AGRE-00 OPR-02 SS-15 EB-08
COME-00 TRSE-00 OMB-01 ICAE-00 CIAE-00 INR-10
NSAE-00 NSCE-00 INRE-00 SSO-00 SP-02 PA-01 HA-05
/058 W

-----034083 060836Z /21

O 060722Z MAY 78

FM AMEMBASSY CANBERRA

TO AMEMBASSY JAKARTA NIACT IMMEDIATE

INFO SECSTATE WASHDC NIACT IMMEDIATE 3196

C O N F I D E N T I A L SECTION 2 OF 4 CANBERRA 3490

JAKARTA FOR ASSISTANT SECRETARY HOLBROOKE

FLUCTATIONS. UNLESS THESE REDUCTIONS WERE COMPLE-
MENTED BY MORE POSITIVE PROPOSALS THAN HAD BEEN PUT
FORWARD TO DATE IN REGARD TO NON-TARIFF BARRIERS AND
AGRICULTURAL TRADE LIBERALISATION, THE BENEFITS WOULD
BE CONFINED LARGELY TO TRADE BETWEEN THE HIGHLY
INDUSTRIALISED COUNTRIES.

5. IN THIS REGARD THE PRIME MINISTER NOTED THAT ONLY
ABOUT 5 PERCENT OF AUSTRALIA'S EXPORTS WOULD BENEFIT
DIRECTLY FROM THE PROPOSED FORMULA CUTS. THE PRIME MINISTER ADDED
THAT THE OFFERS TO AUSTRALIA ON AGRICULTURAL PRODUCTS,
THE AREA OF GREATEST TRADE INTEREST TO AUSTRALIA, WERE
INSIGNIFICANT.

6. THE VICE-PRESIDENT AND THE PRIME MINISTER AGREED
THAT UNLESS THERE WAS SUBSTANTIVE PROGRESS IN ADDRESSING
THE PROBLEMS OF AGRICULTURAL TRADE IN THE MTN, THERE
COULD NOT BE A SUCCESSFUL NEGOTIATION. THEY INDICATED
THAT AS PARTICIPANTS TO WHOM THIS ISSUE WAS VITAL, THEY
WOULD WITHDRAW FROM NEGOTIATIONS RATHER THAN CONCLUDE AN
AGREEMENT WHICH DID NOT COVER AGRICULTURE.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CANBER 03490 02 OF 04 060807Z

EEC 7. THE PRIME MINISTER AND THE VICE-PRESIDENT
EMPHASIZED THE SIGNIFICANCE OF THE EUROPEAN ECONOMIC
COMMUNITY TO WORLD TRADE LIBERALISATION. WITHOUT CON-

STRUCTIVE SUPPORT BY THE COMMUNITY EFFORTS BY OTHERS WOULD BE UNPRODUCTIVE. THEY NOTED THAT IT WAS IN THE AREA OF AGRICULTURE WHERE THE ATTITUDE OF THE COMMUNITY WAS OF PARTICULAR SIGNIFICANCE. THE PRIME MINISTER AND THE VICE-PRESIDENT POINTED OUT THAT SUGAR WAS A PRODUCT OF INTEREST TO BOTH DEVELOPED AND DEVELOPING COUNTRIES AND CALLED ON THE COMMUNITY TO PLAY ITS PROPER ROLE IN THIS AREA.

BEEF 8. THE PRIME MINISTER WELCOMED THE UNITED STATES' OFFER IN THE MULTILATERAL TRADE NEGOTIATION OF A CONCESSION OF ONE CENT PER POUND ON BEEF BUT NOTED WITH CONCERN THAT DEVELOPMENTS IN THE UNITED STATES MIGHT ULTIMATELY MEAN THAT THIS CONCESSION WOULD NOT ONLY BE WITHDRAWN BUT THAT THERE WOULD BE AN EVEN HIGHER BARRIER PUT IN ITS PLACE. HE POINTED OUT THAT SIMILAR ACTION HAD PREVIOUSLY BEEN TAKEN BY THE UNITED STATES AND WITHOUT COMPENSATION.

NORTH/SOUTH DIALOGUE 9. THE PRIME MINISTER AND THE VICE-PRESIDENT REAFFIRMED THE DESIRABILITY OF DEVELOPING COUNTRIES TAKING A GREATER ROLE IN THE WORLD ECONOMY. THEY NOTED THAT SUSTAINED AND STABLE GROWTH OF DEVELOPING COUNTRIES COULD MAKE A CONTRIBUTION TO WORLD ECONOMIC EXPANSION. THE PARTICIPATION OF DEVELOPING COUNTRIES IN GLOBAL ECONOMIC DECISION-MAKING SHOULD BE ENHANCED, AND OBLIGATIONS TO POORER COUNTRIES BY THE RICHER NATIONS SHOULD BE HONOURED.

10. THE PRIME MINISTER AND THE VICE-PRESIDENT AGREED UPON THE NEED TO GIVE NEW IMPETUS TO THE NORTH-SOUTH DIALOGUE.

CONFIDENTIAL

PAGE 03 CANBER 03490 02 OF 04 060807Z

DIALOGUE. IN THIS CONTEXT THE VICE-PRESIDENT REAFFIRMED PRESIDENT CARTER'S COMMITMENT TO PROGRESS ON NORTH-SOUTH ISSUES AS OUTLINED IN HIS RECENT SPEECH TO THE VENEZUELAN CONGRESS. THE PRIME MINISTER EMPHASISED AND THE VICE-PRESIDENT AGREED THAT NEW FORMS OF CONSULTATIONS BETWEEN DEVELOPED AND DEVELOPING COUNTRIES SHOULD BE FOUND AND THAT PRIORITY SUBJECTS FOR SUCH CONSULTATIONS SHOULD BE IDENTIFIED.

COMMON FUND 11. IT WAS RECOGNISED THAT THE STABILISATION OF COMMODITY TRADE THROUGH A COMMON FUND AND COMMODITY AGREEMENTS AND ARRANGEMENTS WAS INTEGRAL TO THE ORDERLY AND SUSTAINED EXPANSION OF WORLD TRADE. THEY AGREED THAT THESE WERE ISSUES OF MAJOR IMPORTANCE TO THE DEVELOPING COUNTRIES AND REAFFIRMED THAT A SPEEDY AND REALISTIC CONCLUSION TO THE NEGOTIATIONS WAS ESSENTIAL. MR. FRASER POINTED OUT THAT, IN RECOGNITION OF THE NEED TO PROMOTE AN EARLY AGREEMENT ON THE COMMON FUND, AUSTRALIA NOW SUPPORTED THE PRINCIPLE THAT DIRECT GOVERNMENT SUBSCRIPTIONS SHOULD

FORM PART OF THE COMMON FUND'S RESOURCES AND THAT WHERE
APPROPRIATE THE FUND MIGHT FINANCE MEASURES
OTHER THAN BUFFER-STOCKING. MR. MONDALE INDICATED THAT
THE UNITED STATES IS CURRENTLY RE-EXAMINING ITS POSITION
ON THE COMMON FUND WITH A VIEW TO FACILITATING CONSENSUS.
THEY BOTH AGREED THAT THERE WAS A NEED FOR ALL COUNTRIES
TO WORK ACTIVELY FOR EARLY FINALISATION OF THE NEGOTIATIONS

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 CANBER 03490 03 OF 04 060841Z
ACTION EA-12

INFO OCT-01 ISO-00 A-01 AGRE-00 OPR-02 SS-15 EB-08
COME-00 TRSE-00 OMB-01 ICAE-00 CIAE-00 INR-10
NSAE-00 NSCE-00 INRE-00 SSO-00 SP-02 PA-01 HA-05
/058 W

-----034327 060845Z /21

O 060722Z MAY 78

FM AMEMBASSY CANBERRA

TO AMEMBASSY JAKARTA NIACT IMMEDIATE

INFO SECSTATE WASHDC INIACT IMMEDIATE 3197

C O N F I D E N T I A L SECTION 3 OF 4 CANBERRA 3490

JAKARTA FOR ASSISTANT SECRETARY HOLBROOKE

IN UNCTAD ON SPECIFIC COMMODITY AGREEMENTS.
FOOD 12. MR FRASER AND MR. MONDALE ALSO NOTED THAT
AUSTRALIA AND THE UNITED STATES, AS MAJOR FOOD PRODUCERS
AND EXPORTERS, HAD AN IMPORTANT ROLE TO PLAY IN HELPING
TO COMBAT THE FOOD PROBLEMS OF MANY DEVELOPING COUNTRIES
BOTH AS SUPPLIERS OF FOOD AND OF DEVELOPMENT ASSISTANCE
TO THOSE COUNTRIES' OWN FOOD PROGRAMS.
JAPAN 13. THE PRIME MINISTER NOTED THAT HE HAD
EXCHANGED VIEWS WITH MR. FUKUDA IN APRIL ON THE GLOBAL
ECONOMY, THE MULTILATERAL TRADE NEGOTIATION AND NORTH-SOUTH
ISSUES, AND THAT HE UNDERSTOOD THAT MR. FUKUDA HAD DIS-
CUSSED SIMILAR SUBJECTS WITH PRESIDENT CARTER. THE PRIME
MINISTER AND THE VICE-PRESIDENT AGREED UPON THE IMPORTANCE
OF THEIR RESPECTIVE COUNTRIES' BILATERAL RELATIONSHIPS
WITH JAPAN. THEY RECOGNISED THE PARTICULAR SIGNIFICANCE
OF JAPAN'S EFFORTS IN ACHIEVING NON-INFLATIONARY GROWTH
TO THE WORLD ECONOMY. THE PRIME MINISTER AND THE VICE-
PRESIDENT AGREED THAT BILATERAL AND COLLECTIVE CONSULTA-

TIONS BETWEEN AUSTRALIA, THE UNITED STATES AND JAPAN SHOULD BE MAINTAINED.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CANBER 03490 03 OF 04 060841Z

INTERNATIONAL POLITICAL ISSUES

NPT 14. THE PRIME MINISTER AND THE VICE-PRESIDENT AGREED UPON THE GREAT IMPORTANCE OF THE NUCLEAR NON-PROLIFERATION TREATY (NPT). THEY AGREED THAT THE TWO GOVERNMENTS WOULD CONTINUE TO WORK TO ENCOURAGE UNIVERSAL ADHERENCE TO THE NPT AND TO STRENGTHEN SAFEGUARDS UNDER THE TREATY. THEY AGREED THAT NPT REMAINED THE SOLID FOUNDATION OF INTERNATIONAL ACTION DESIGNED TO ENSURE THAT THE GROWING CIVIL USES OF NUCLEAR ENERGY DID NOT CONTRIBUTE TO ANY PROLIFERATION OF NUCLEAR WEAPONS STATES. THE PRIME MINISTER AND THE VICE-PRESIDENT ALSO EMPHASISED THAT ACTION TO ACHIEVE THE GOALS OF NPT MUST BE BACKED UP BY CONTINUING EFFORTS TO SECURE INTERNATIONAL AGREEMENT ON INCREASINGLY EFFICIENT NUCLEAR SAFEGUARDS. IN THIS CONTEXT THEY PLACED PARTICULAR IMPORTANCE ON THE INTERNATIONAL FUEL CYCLE EVALUATION STUDY (INFCE), WHICH WAS CURRENTLY UNDER WAY, AND ON THE FIRM COMMITMENT OF AUSTRALIA AND THE UNITED STATES AGAINST THE REPROCESSING OF NUCLEAR FUELS UNTIL ADEQUATE SAFEGUARDS ON REPROCESSING AND ITS PRODUCTS, PARTICULARLY PLUTONIUM, HAD BEEN DEVELOPED AND AGREED UPON INTERNATIONALLY.

ENERGY 15. MR. FRASER AND MR. MONDALE EMPHASISED THE IMPORTANCE TO GLOBAL STABILITY OF A REDUCTION IN DEPENDENCE ON OIL AS A SOURCE OF ENERGY. THEY AGREED ON THE NEED FOR GREATER RESEARCH AND DEVELOPMENT INTO THE PRACTICAL AND SAFE UTILISATION OF ALTERNATIVE FUELS TO OIL AND INDICATED THAT THERE WOULD BE GREATER CO-OPERATION ON ENERGY RESEARCH BETWEEN AUSTRALIA AND THE UNITED STATES IN THE FUTURE. INDIAN OCEAN 16. THE PRIME MINISTER AND THE VICE-PRESIDENT PLACED PARTICULAR IMPORTANCE ON ACHIEVING A BALANCED ARMS LIMITATION IN THE INDIAN OCEAN. THE VICE-PRESIDENT REAFFIRMED THAT THE UNITED STATES WOULD NOT

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 CANBER 03490 03 OF 04 060841Z

ENTER INTO ANY AGREEMENT ON THE INDIAN OCEAN THAT WOULD QUALIFY OR DEROGATE FROM CONTINUING UNITED STATES/AUSTRALIA CO-OPERATION UNDER ANZUS.

SOUTH EAST ASIA 17. THE VICE-PRESIDENT REFERRED TO HIS TALKS IN MANILA, BANGKOK AND JAKARTA. THE PRIME MINISTER AND THE VICE-PRESIDENT REAFFIRMED THEIR GOVERNMENTS'

COMMITMENT TO PEACE AND ECONOMIC PROGRESS IN SOUTH EAST ASIA. IN THIS CONTEXT THEY WELCOMED THE SIGNIFICANT CONTRIBUTION WHICH ASEAN WAS MAKING TO THOSE OBJECTIVES. THEY ALSO EXCHANGED VIEWS ABOUT THEIR GOVERNMENTS' RESPECTIVE PROGRAMS. OF ECONOMIC AND SOCIAL CO-OPERATION WITH ASEAN. INDOCHINA 18. THE PRIME MINISTER AND THE VICE-PRESIDENT EXPRESSED THEIR CONCERN OVER THE LOSS OF LIFE, DISLOCATION AND DE-STABILISATION THAT ARE THE CONSEQUENCES OF THE CONTINUING CONFLICT BETWEEN THE SOCIALIST REPUBLIC OF VIETNAM AND KAMPUCHEA. THEY WERE ALSO PARTICULARLY DISTURBED BY THE REPORTS OF BRUTALITY IN KAMPUCHEA AND IN THE CONFLICT WHICH THEY HAD RECEIVED. THE AUSTRALIAN AND UNITED STATES GOVERNMENTS WERE CONCERNED THAT UNLESS THE SRV AND KAMPUCHEA MADE EFFECTIVE EFFORTS TO SETTLE THEIR DIFFERENCES, THE POLITICAL STABILITY ON WHICH PROGRESS

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 CANBER 03490 04 OF 04 060824Z
ACTION EA-12

INFO OCT-01 ISO-00 AGRE-00 OPR-02 SS-15 EB-08 COME-00
TRSE-00 OMB-01 ICAE-00 CIAE-00 INR-10 NSAE-00
NSC-05 INRE-00 SSO-00 SP-02 PA-01 A-01 HA-05
/063 W

-----034163 060837Z /21

O 060722Z MAY 78

FM AMEMBASSY CANBERRA

TO AMEMBASSY JAKARTA NIACT IMMEDIATE

INFO SECSTATE WASHDC NIACT IMMEDIATE 3198

C O N F I D E N T I A L SECTION 4 OF 4 CANBERRA 3490

AND ECONOMIC AND SOCIAL DEVELOPMENT DEPENDED WOULD CONTINUE TO ELUDE THE PEOPLE OF THE SRV AND KAMPUCHEA AND COULD HAVE DAMAGING EFFECTS UPON MUTUAL CO-OPERATION AND CONFIDENCE IN THE WHOLE OF INDO-CHINA.

REFUGEES 19. THE PRIME MINISTER AND THE VICE-PRESIDENT DISCUSSED THE SITUATION OF INDOCHINESE REFUGEES. THEY STRESSED THE IMPORTANCE OF AN INTERNATIONALLY CO-ORDINATED EFFORT TO RESOLVE THE PROBLEM OF THE REFUGEES. IN PARTICULAR THEY EMPHASISED THE NEED FOR CO-OPERATION BY REGIONAL GOVERNMENTS IN CONTROLLING THE MOVEMENT OF BOAT PEOPLE TO AUSTRALIA. THE PRIME MINISTER AND THE

VICE-PRESIDENT OUTLINED RECENT EFFORTS BY THE AUSTRALIAN AND THE UNITED STATES GOVERNMENTS TO OVERCOME THE PLIGHT OF THE REFUGEES. THEY CALLED FOR THE OFFER OF INCREASED SETTLEMENT OPPORTUNITIES AND FINANCIAL ASSISTANCE FROM OTHER MEMBERS OF THE INTERNATIONAL COMMUNITY AND IN THIS CONTEXT THEY WELCOMED THE DECISION OF THE JAPANESE GOVERNMENT TO INCREASE ITS CONTRIBUTION TO INDOCHINESE REFUGEE RESETTLEMENT PROGRAMS.

SOUTH PACIFIC 20. THE VICE-PRESIDENT AND THE PRIME MINISTER DISCUSSED THE CONSTITUTIONAL ECONOMIC AND POLITICAL
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CANBER 03490 04 OF 04 060824Z

DEVELOPMENT OF THE ISLAND COUNTRIES IN THE PACIFIC. MR. FRASER AND MR. MONDALE AGREED UPON THE NEED FOR CONTINUING AID TO THE PACIFIC COUNTRIES AND FOR AN EXPANSION OF THE MACHINERY AND INSTITUTIONS ON WHICH INCREASED CO-OPERATION FOR ECONOMIC AND SOCIAL DEVELOPMENT IN THE REGION DEPENDED. IN THIS CONTEXT AUSTRALIA SUPPORTED THE PROPOSED ESTABLISHMENT OF A PACIFIC REGIONAL FISHERIES AGENCY AND MEMBERSHIP OF THE AGENCY BY THE UNITED STATES. THE PRIME MINISTER EMPHASISED AND THE VICE-PRESIDENT AGREED TO THE IMPORTANCE OF THE UNITED STATES AND JAPAN EXPANDING THEIR ASSISTANCE TO AND CO-OPERATION WITH THE ISLAND COUNTRIES OF THE PACIFIC IN WAYS WHICH WOULD COMPLEMENT THE EFFORTS OF AUSTRALIA AND NEW ZEALAND.

CHINA 21. THE PRIME MINISTER AND THE VICE PRESIDENT AGREED ON THE NEED TO DEVELOP AND MAINTAIN FRIENDLY RELATIONS WITH THE PEOPLES REPUBLIC OF CHINA. THE VICE-PRESIDENT REAFFIRMED THAT THE UNITED STATES WAS DETERMINED TO COMPLETE THE PROCESS OF NORMALISING ITS RELATIONS WITH THE PRC ON THE BASIS OF THE SHANGHAI COMMUNIQUE.

BILATERAL RELATIONS

22. MR. FRASER AND MR. MONDALE AGREED THAT THE COMMERCIAL RELATIONSHIP WAS AN IMPORTANT ELEMENT IN THE TWO COUNTRIES' BILATERAL RELATIONS AND PLEDGED THEIR GOVERNMENTS TO CONTINUE DEALING WITH BILATERAL ISSUES IN THE TRADE FIELD IN THE SPIRIT OF CO-OPERATION AND ACCOMMODATION WHICH CHARACTERISES THE RELATIONSHIP AS A WHOLE.

23. IN REVIEWING BILATERAL ECONOMIC RELATIONS THE PRIME MINISTER AND THE VICE-PRESIDENT NOTED WITH
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 CANBER 03490 04 OF 04 060824Z

SATISFACTION THE STEADILY RISING FLOW OF TWO-WAY TRADE WHICH HAD REACHED \$3,171 MILLION IN 1976/1977. THEY RECOGNISED THE GROWING INTERDEPENDENCE OF THE TWO COUNTRIES, PARTICULARLY THE IMPORTANCE OF AUSTRALIA AS A STABLE SUPPLIER OF THE U.S. AS A SECURE AND EXPANDING MARKET FOR AUSTRALIAN BEEF.

24. THE PRIME MINISTER INDICATED THAT AUSTRALIA WHOLE-HEARTEDLY SUPPORT THE CONCEPT OF "SUBSTANTIALLY EQUIVALENT COMPETITIVE OPPORTUNITIES" WHICH HAD BEEN WRITTEN INTO THE U.S. TRADE ACT, AS A PRIME OBJECTIVE OF U.S. IN THE MTN AND EXPRESSED THE HOPE THAT THE USA WOULD APPLY THE SAME CONCEPT IN ITS TRADE RELATIONS WITH AUSTRALIA.

25. THE PRIME MINISTER AND THE VICE-PRESIDENT AGREED THAT THEIR EXCHANGE HAD FORMED AN IMPORTANT PART OF CONTINUING BILATERAL CONTACTS BETWEEN THE TWO GOVERNMENTS. THE PRIME MINISTER SAID THAT THE AUSTRALIAN GOVERNMENT WAS VERY PLEASED THAT MR. MONDALE HAD BEEN ABLE TO VISIT AUSTRALIA. THE AUSTRALIAN GOVERNMENT HAD APPRECIATED THE PARTICULAR EFFORTS THAT THE VICE-PRESIDENT WAS MAKING ON BEHALF OF PRESIDENT CARTER. THE VICE-PRESIDENT REFERRED TO THE IMPORTANCE PRESIDENT CARTER ATTACHED TO SUCH CONSULTATIONS AND SAID HE WAS PLEASED AT BEING ABLE TO PLAY HIS PART IN SUCH EXCHANGES. END TEXT.

COMMENT: DFA REGRETS THE DELAY IN GIVING US THEIR PROPOSED TEXT. AS BACKGROUND DFA HAS CONFIRMED THAT THE REQUEST FOR A FINAL COMMUNIQUE OR JOINT STATEMENT CAME FROM THE PRIME MINISTER'S OFFICE. DFA WAS "GRATIFIED" THAT THE U.S. APPROVED THE IDEA, EVEN THOUGH IT WAS NOT OUR USUAL PRACTICE. DFA SENT A PROPOSED TEXT CLEARED BY OTHER RELEVANT GOA MINISTRIES TO PM FRASER ON MAY 1. FRASER'S INITIAL REACTION WAS TO QUESTION THE NEED FOR A COMMUNIQUE. WHEN TOLD THAT THE IDEA HAD ORIGINATED IN HIS OFFICE, HE AGREED TO A CONFIDENTIAL

CONFIDENTIAL

PAGE 04 CANBER 03490 04 OF 04 060824Z

COMMUNIQUE BUT SENT IT BACK TO DFA FOR REVISION. THE CABINET DISCUSSED THE WORDING OF THE COMMUNIQUE ON MAY 3 AND 5 BUT REACHED NO AGREEMENT. DFA OFFICIALS WORKED THROUGH THE NIGHT OF MAY 5 AND THE MORNING OF MAY 6 ON THE ABOVE TEXT WHICH SHOULD BE CLOSE TO THE FINAL WORDING WHICH PRIME MINISTER IS EXPECTED TO APPROVE THE NIGHT OF MAY 7.
ALSTON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 06 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978CANBER03490
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780193-0763
Format: TEL
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780586/aaaacvrf.tel
Line Count: 492
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 5b613aa3-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 9
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2771964
Secure: OPEN
Status: NATIVE
Subject: VICE PRESIDENT MONDALE'S VISIT: PROPOSED GOA COMMUNIQUE
TAGS: OVIP, (MONDALE, WALTER F)
To: JAKARTA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/5b613aa3-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014